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INTERNATIONAL ASSOCIATION OF DRILLING CONTRACTORS

P.O. Box 4287 • Houston, Texas 77210-4287 USA
15810 Park Ten Place, Suite 242 • Houston, Texas 77084-5139 USA
Phone: 1/281 578-7171 • Fax: 1/281 578-0589

Chairman

Bernie W. Stewart
R&B Falcon Corp.

Vice Chairman

John R. Irwin
Atwood Oceanics Inc.

President

Dr. Lee Hunt
IADC

Secretary-Treasurer

Thomas P. Richards
Grey Wolf Drilling Company

International
Service Center
The Netherlands:
P.O. Box 249
6710 BE Ede
The Netherlands

Galvanistraat 88
6716 AE Ede
The Netherlands

Phone: 31/318 645999
Fax: 31/318 645723

Washington
Senior Vice President
Government Affairs
Brian T. Petty

1901 L Street, NW
Suite 702
Washington, DC
20036-3306 USA

Phone: 1/202 293-0670
Fax: 1/202 872-0047

United Kingdom
Wood International Center
Craigshaw Drive, West Tullos
Aberdeen AB12 3AG
Scotland, U.K.

Phone: 44/1224-874800
Fax: 44/1224-875600

Middle East & Asia:
P.O. Box 303
Mina Al-Fahal, Postcode 116
Muscat
Sultanate of Oman
Phone/Fax: 968-601180

July 19, 1999

Department of Interior
Minerals Management Service (MS-4024)
381 Elden Street
Herndon, VA 20170-4817

Re: Training of Lessee and Contractor Employees Engaged in Oil and Gas
and Sulphur Operations in the Outer Continental Shelf

To Whom It May Concern:

We are writing to provide comments in response to the proposed rule on
"Training of Lessee and Contractor Employees Engaged in Oil and Gas and
Sulphur Operations in the Outer Continental Shelf" published in the 20 April 1999
Federal Register.

The International Association of Drilling Contractors (IADC) is a trade association
representing the upstream oil and gas industry worldwide. Our membership
includes all drilling contractors currently operating in areas subject to the
jurisdiction of the Minerals Management Service.

IADC is pleased by MMS's statement that it wishes to establish a performance-
based training system. We believe that such a system is necessary if the
industry is to be given the flexibility to adapt to changes in technology and the
concomitant changes in operations and operating areas. Nonetheless, we would
like to offer our comments and voice our concern about several aspects of the
proposed rule.

Our comments are organized into three sections:

- I. Positive aspects of the regulations and suggestions for implementation
- II. Answers to specific questions posed by MMS
- III. Concerns over problematic areas of the proposed regulations

I. POSITIVE ASPECTS OF THE REGULATIONS AND SUGGESTIONS FOR IMPLEMENTATION

IADC feels that the elimination of a specific MMS certification will make it easier
for contractors with international operations to move crews and rigs from one
region to another. This is, indeed, one of the goals of the new regulations.

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However, there are other aspects of the regulations that we feel could be problematic for the industry. While the existing system has sometimes been criticized as being too prescriptive, the proposed regulations contain no requirements whatsoever regarding course duration, class size, periodic retraining, and other factors we feel are vital to a viable well control training course.

We are concerned that the following might occur:

- In the absence of MMS's acknowledgement of an industry benchmark, operators may adopt too wide a variety of different training requirements. Ultimately, this could be more burdensome to drilling contractors than the situation that currently exists when operating internationally.
- Some companies, in the interest of economics, could take an overly broad view of the flexibility afforded by the new regulations. This might result in certain training practices to be implemented that are neither appropriate nor in the best interests of safety.

In order to ensure an acceptable level of quality in the area of well control training, IADC feels that the drilling industry will require an industry benchmark in the absence of MMS requirements.

As MMS is aware, in 1995 IADC implemented its Well Control Accreditation Program, or WellCAP. This was intended to function as a global well control training standard for areas of the world lacking regulations such as those of MMS. Since then, 35 WellCAP-accredited schools have trained almost 12,000 students. **WellCAP instruction has been taught in 10 languages from 106 locations in 34 countries.**

We believe that the new regulations position WellCAP to become the global standard it was originally designed to be. We would recommend a specific reference to either WellCAP or its associated curriculum documents in the final regulations to enable this. At a minimum, we would specifically request that MMS reference one or more of the consensus technical standards that establish the basic parameters of a well control training program defined by the industry, as described herein.

- **WCT-1 HANDBOOK FOR ACCREDITATION (CRITERIA & PROCEDURES)**

The above document contains what we feel describes best practices for structuring a well control training program regarding class size, instructional design, duration, and requirements for retraining.

- **WCT-2DI INTRODUCTORY CURRICULUM OUTLINE (DRILLING)**
- **WCT-2DF FUNDAMENTAL CURRICULUM OUTLINE (DRILLING)**
- **WCT-2DS SUPERVISORY CURRICULUM OUTLINE (DRILLING)**
- **WCT-2WI INTRODUCTORY CURRICULUM OUTLINE (WORKOVER & COMPLETION)**
- **WCT-2WF FUNDAMENTAL CURRICULUM OUTLINE (WORKOVER & COMPLETION)**
- **WCT-2WS SUPERVISORY CURRICULUM OUTLINE (WORKOVER & COMPLETION)**

The above documents describe the core curriculum of topics which should be addressed by different types and levels of well control instruction. The guidelines also include specific job topics which students should be able to perform at the completion of instruction. Such action would be consistent with the provisions of Public Law 104-113.

II. ANSWERS TO SPECIFIC QUESTIONS POSED BY MMS

The IADC Well Control Committee met in June to discuss the proposed regulations. Here are answers the committee developed to the specific questions posed by MMS in the proposed regulations:

1. Is there a specific written test score (re: threshold level) we should use to signify the competency of an individual?

RESPONSE: We do not believe that a written examination alone can be an adequate demonstration of competency. Seventy percent (70%) is generally determined to be an acceptable score on an examination of a specific body of knowledge. However, without reviewing the questions to ensure their relevance or difficulty, it is impossible to say that scoring 70% (or any other threshold) on a written test establishes an understanding of the subject matter or competency.

We suggest that MMS:

1. Validate the test by giving it to a representative group of well control workers on the OCS. A mean average of the scores could then be extrapolated to represent a passing score; or
 2. Allow an industry group of industry experts (API, IADC, etc.) to assist in the construction of the test and/or review the test and/or questions to ensure that they are relevant and framed in the proper context to the job/work skills being evaluated.
- ### **2. If an individual or group of individuals receives a written test score below a level determined to signify competency, should we issue an INC, conduct a retest, or initiate some other type of enforcement action?**

RESPONSE: We do not believe the MMS should issue an INC or initiate enforcement action based on a written test.

Should an individual or group of individuals receive a test score below a determined level, the MMS should notify the contractor and lessee or lessee's representative. They collectively should:

1. Interview the individual(s). If they collectively determine the individual(s) are incompetent, the individual(s) should be replaced with a person or group of persons deemed to be competent.

2. If the individual(s) do not pass the interview as outlined above, the individual(s) should take a retest within 30 days, or reenter the company's well control training program within 45 days.
3. **What issues should we focus on when conducting employee interviews? How often should these interviews be conducted? What situation(s) should trigger MMS to conduct an interview?**

RESPONSE: Questions should be of a general nature and relate or be relevant to the employee's job.

The following questions are representative of those that might be asked during interviews on an offshore drilling rig working on the OCS. These are currently contained in 30 CFR 250.1510(b)(2):

1. Can the employee address management about training needs?
2. Do employees have training tied to their job function in: drilling well control, workover/well completion well control and well servicing?

We believe that a general interview may be conducted anytime the MMS is aboard the rig, *under the condition that the interview does not interfere with the performance of the employee's work.*

We also support MMS's current methods of conducting casual interviews or engaging employees in like conversation while aboard rigs operating on the OCS.

4. **What type of enforcement action should we initiate if during an employee interview an employee exhibits only a minimal understanding of the employer's training program?**

RESPONSE: Should the MMS interview one individual and finds he/she does not understand the company's training program, the MMS should then interview other individuals or a group of individuals. Following these interview(s), should the MMS determine that employees have only a minimal understanding of the company's training program, the MMS should conduct an audit of the company's training records as described in the April 20, 1999 Federal Register/ Proposed Rules 250.1510(a)(1).

We do not believe there should be any enforcement action based solely on employee interviews.

5. **Are there any situations where we should not allow an employee to continue working on the OCS?**

RESPONSE: With respect to training and MMS-conducted testing or interviews, we believe there are no situations where the MMS should demand the discontinuation of an employee's

employment. The MMS may recommend that an employer, lessee or lessee's representative move a supervisor from a position of responsibility to a position of lesser responsibility.

6. Under what circumstances should we initiate hands-on testing of employees?

RESPONSE: We are opposed to "Hands On Testing" as defined in the Proposed Rule. The definition defines "hands on testing" as testing with a simulator or live well. While simulators are an excellent means of teaching a principle, the actual operation of the well control simulators available on the market today can vary greatly.

An employee might be very skilled in the operation of one type of simulator and understand all the principles taught on that simulator, but have no skill in the operation of a different simulator.

Testing on a live well, where the employee is not familiar with blowout preventer configuration, manifold configuration or pump operation, is not only dangerous, but as confusing as putting the employee on a simulator with which he is unfamiliar.

We are not opposed to observation of simulator testing at a well control school. We are also not opposed to the MMS evaluating personnel in their familiarity with existing equipment on rig. Examples of this would asking the employee to explain how the choke manifold is set up, or how well control equipment works.

We are also not opposed to the MMS observing or participating in pit drills or inside blowout prevention drills aboard the rig.

III. CONCERNS OVER PROBLEMATIC AREAS OF THE PROPOSED REGULATIONS

- **Scope of the proposal.** Other than the limits of MMS's legislative authority, there is no apparent limit to the scope of proposed rule. Thus, in framing comments we are forced to consider the broadest conceivable application of the proposed rule. Accordingly, we must assume that the general provisions of the proposed rule would apply to all persons employed on any facility, or employed in any post-lease activity, subject to the Outer Continental Shelf Lands Act, as amended. This certainly includes all persons employed on any OCS facility, and can be interpreted as applying to other persons who direct, or otherwise engage in post-lease OCS activities, irrespective of the duration of such activities.
- **Relationship to other rulemaking proposals.** The proposed rule seemingly relies on terminology and statements of applicability contained in Subpart A of Part 250. As MMS is aware, Subpart A is the subject of a separate, and uncompleted, rulemaking. Changes to Subpart A proposed in the 13 February 1998 *Federal Register*, or in response to comments received in response to that proposed rulemaking, have the potential to affect the scope of this rule. Accordingly, we believe that an opportunity to comment on this proposal must be provided after the revisions to Subpart A are finalized. We are particularly concerned that MMS, under this rulemaking, may adopt rules that lead to disqualification of individuals or contractors, yet may preclude appeals being made by persons other than lessees under the proposed Subpart A.

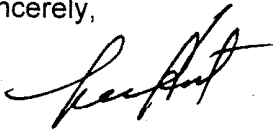
- **Training School.** The term "*Training school*" is defined in the proposed regulations (30 CFR 250.1500), but it does not appear to have been used in the proposed regulations. Were requirements for training schools inadvertently omitted from the proposal?
- **"Ownership" of training plans and training programs.** As written, all responsibility for training plans and training programs, for all employees, rests with the "lessee engaged in oil, gas, or sulphur operations in the Outer Continental Shelf." We recognize that this falls within the duties of the lessee in accordance with 43 U.S.C. 1348(b). (It would also appear to be the duty of permit holders, to whom the proposed rules would not apply.) However, the practical administration of such requirements is difficult to envisage, particularly with respect to contractors and subcontractors performing short-duration specialist activities, e.g., servicing of lifesaving equipment. Further, we see the proposal, as presently drafted, as providing little incentive for contractors to distinguish themselves through superior training plans, programs and performance, as they have no individual identity.
- **Training and job qualification requirements for each employee's position.** We view this as a significant expansion of the MMS's current regulatory scope. With respect to OCS operations involving vessels, it would create, without justification, an overlap with the requirements of the U.S. Coast Guard with regard to licensed and documented personnel and personal and group survival training of all personnel. For ships subject to the Coast Guard's regulations implementing the International Safety Management (ISM) Code, the overlapping requirements would be even greater as, by regulation, a training plan under the ISM Code is subject to audit by government-appointed auditors. It would also appear overlap Coast Guard requirements with respect to divers.
- **Recordkeeping.** The recordkeeping requirements, as proposed, are unworkable. It is impractical for a lessee to maintain records on contractor employees for five years. While it is reasonable for contractors to be expected to retain the records for their employees, a five-year retention period seems excessive, particularly for former employees. Further, we also view the requirement that they be retained as a "field office, Headquarters office, or at another location conveniently available to the MMS Regional Supervisor" as being unreasonable. For example, is a MODU located offshore Galveston "conveniently available" to the New Orleans Regional Supervisor? A simple statement that these records be made available, upon request, to the Regional Supervisor should suffice – their location should be immaterial.
- **Pay for all costs.** The requirement, proposed in 30 CFR 250.1512(c), that the lessee must pay for all costs associated with hands-on or simulator tests, without limitation, seems to us unreasonable. Further, the payment or reimbursement of MMS's costs associated with such testing may be deemed to conflict with the Congressional appropriations process.
- **Scope of Proposal.** We respectfully request that the MMS clarify its intention with respect to the scope of the proposal and, after finalizing Subpart A, issue a supplemental notice of proposed rulemaking so that a more finely tuned and more specific comment can be provided.

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- **Transition period.** We are opposed to the proposed schedule for the implementation of this rule making. We feel that a 90-day period following adoption of the rule is not enough time to develop training programs as now required by the rule. We would suggest 180 - 270 days as a more appropriate amount of time.

We appreciate your consideration of the foregoing comments, and should you have any questions, please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "Lee Hunt", with a stylized flourish at the end.

Dr. Lee Hunt
President
International Association of Drilling Contractors
1/281-578-7171